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State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director
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Division Director

Inspection Report

Minerals Regulatory Program

May 22, 2008

Reviewed: LK

Mine Name: Lisbon
Operator Name: Rio Algom

Permit number: M0370001
Inspection Date: April 29, 2008
Time: 7:30-8:00 PM

Inspector(s): Paul Baker
Other Participants: None
Mine Status: Reclaimed

Weather: Cloudy, 60s

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:
This was a routine inspection.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

The operator requested with the annual report that the reclamation surety be released. The Division previously notified the operator that, because of a contract with the Board of Oil, Gas and Mining, the Board has to authorize the release, and on April 2, 2008, the Division reiterated this statement. The Division's Assistant Attorney General affirmed this position, but he also said the escrow account the operator has established should be adequate for a traditional surety. In other words, once the Board has determined how much surety still needs to be held, the Division could establish a reclamation contract with the operator using a portion of the escrow account. The Board would no longer need to be involved.

10. Other

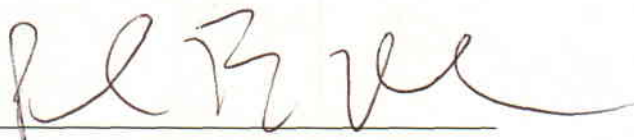
I had thought this site—including the area regulated by the Division of Radiation Control—was completely reclaimed, but there was some equipment on site and sign of recent activity. I walked nearly to the site where the office had been. Some places were smooth, others were rough, some had almost no vegetation, and some had a lot of yellow sweet clover. Slash had been spread over some of the regraded areas. The site still does not have adequate vegetation for release.

Conclusions and Recommendations:

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The Division and the operator need to continue monitoring for revegetation success. If vegetation from desirable species does not improve by this fall, the operator should consider re-scarifying the surface and re-seeding.

Inspector's Signature



PBB:pb

cc: Terry Fletcher, Rio Algom

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Photo 1. Note that much of the area is fairly flat and has limited vegetation.



Photo 3. This shows a portion of the tailings pond and some of the other parts of the disturbed area.



Photo 2.